



Nathan Deal  
Governor

## GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

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### **Governor's Water Supply Program Funding Awarded**

*Flexible Terms and Reduced Interest Rates to Save Local Governments and Taxpayers*

ATLANTA – The Georgia Environmental Finance Authority (GEFA) and Georgia Department of Community Affairs (DCA) today awarded \$90,490,866 in loans and \$9,060,000 state direct investment (SDI) for eight water supply projects through the Governor's Water Supply Program (GWSP).

"The Georgia Environmental Finance Authority, the Georgia Department of Community Affairs and the Water Supply Task Force worked hard to develop a plan that helps local governments finance water supply infrastructure," said GEFA Executive Director Kevin Clark. "Today we're making our initial funding awards and we look forward to supporting more projects in the near future."

In January 2011, Gov. Nathan Deal directed GEFA to develop and launch the GWSP and committed \$300 million to the program over four years. The purpose of the GWSP is to align and mobilize the resources of the state of Georgia to assist local governments with developing new sources of water supply adequate to meet future water demand forecasts. GEFA convened the Water Supply Task Force (WSTF) that provided expert guidance in the program's development and implementation.

GEFA worked with DCA and other WSTF members to develop the report provided to the governor in December 2011, which outlined recommendations for the program. GEFA and DCA also held workshops designed to assist communities seeking funding through the program.

GEFA received 15 applications from communities seeking \$195,595,758 in funding for their water supply projects. Local governments will be invited again to apply in the second and third rounds of GWSP applications, which are scheduled to begin in January 2013 and January 2014, pending appropriations.

"Georgia has proactively sought solutions to the water supply issue, including developing new water sources and promoting water conservation," said Clark. "By ensuring adequate supply through both new water sources and conservation, Georgia's water needs can be met."

In addition to water supply projects, GEFA's loan programs can finance a variety of water and wastewater infrastructure, including water conservation projects.

Below are details of the loans and SDI approved today:

### City of Cornelia

The city of Cornelia was approved for a 30-year loan of \$6,849,089 to finance enhancing its existing reservoir, including sediment removal, dam repair and constructing off-stream storage. The proposed off-stream storage will replace the yield lost while completing the dam repair and sediment removal. The total cost is \$6,849,089. Cornelia will pay zero percent interest until construction is complete or for three years, whichever comes first. The city will then pay 1.5 percent for any remaining construction (after three years) and during the repayment period once construction is complete. The city will not be charged a closing fee.

### City of Hahira

The city of Hahira was approved for a 20-year loan of \$431,777 to construct a new water supply well and the associated treatment equipment. The new well adds 0.2434 million gallons per day (MGD) of water supply and will allow the city to maximize the storage capacity of its existing elevated storage tanks to better address future demand and increase system reliability. The total cost is \$479,752, with the city contributing \$47,975 in funds. Hahira will pay zero percent interest during project construction, and then 1 percent during the repayment period once construction is complete. The city will not be charged a closing fee.

### City of Vienna

The city of Vienna was approved for a 20-year loan of \$1,110,000 to construct a new water supply well, the associated treatment facility and elevated water tower. This new well will replace the city's oldest well and provide needed above-ground storage to protect the city's water supply during drought. The total cost is \$1,110,000. Vienna will pay zero percent interest during construction, and then 1 percent interest during the repayment period once construction is complete. The city will not be charged a closing fee.

### Newton County

Newton County was approved for a 40-year loan of \$21,000,000 to construct a 1,242-acre pumped-storage reservoir on Bear Creek in Newton County, with a water intake on the Alcovy River used to fill the reservoir. The county is designing the reservoir with a projected yield of 28 MGD. The total cost is \$62,685,831. Newton County will pay zero percent interest for the first three years of construction; 1 percent for the remainder of construction, accrued and capitalized; and 1.82 percent during the repayment period once construction is complete. Additionally, the county will make interest only payments the first seven years of the loan and will pay principal and interest thereafter. The county will not be charged a closing fee.

### Oconee and Walton Counties

Oconee and Walton Counties were approved for two 40-year loans – one for \$20 million and one for \$12 million – to construct a 1,400 acre reservoir in Walton County. The Walton County Water & Sewerage Authority (WSA) owns title to the project and an intergovernmental agreement specifies the cost share as 28.8 percent Oconee and 71.2 percent Walton County WSA. The total cost is \$90,901,000, with the counties contributing \$58,901,000.

On the \$20 million loan, Oconee and Walton Counties will pay zero percent interest during construction and a single balloon payment (principal and 1 percent interest) at year 40. There will be no closing fee associated with this loan.

On the \$12 million loan, Oconee and Walton Counties will pay zero percent interest for the first three years of construction; 1 percent for the remainder of construction, accrued and capitalized; and two percent during the repayment period once construction is complete. Additionally, the counties will make interest only payments the first five years of the loan and will pay principal and interest thereafter. There will be no closing fee associated with this loan.

### Paulding County

Paulding County was approved for a 40-year loan of \$29,100,000 to construct a 305-acre pumped-storage reservoir on Richland Creek in northern Paulding County, with an intake on the Etowah River used to fill the reservoir. Paulding County is designing the reservoir with a projected yield of 35 MGD. The total cost of the reservoir project is \$86,400,000, with the county providing \$57,300,000 in funding. Paulding County will pay zero percent interest for the first three years of construction; 1 percent for the remainder of construction, accrued and capitalized; and 1.82 percent during the repayment period once construction is complete. The county will not be charged a closing fee.

### Southwest Georgia Regional Commission (SWGRC)

The Southwest Georgia Regional Commission (SWGRC) was approved for \$4,600,000 in state direct investment to construct test wells on state-owned property in southwest Georgia. The test wells will assess the viability of innovative groundwater recharge and flow augmentation technology for the lower Flint and Chattahoochee River basins. The technical report developed as a part of this project will provide a road map for future utilization of this flow augmentation technology.

### Lake Lanier Islands Development Authority (LLIDA)

The Lake Lanier Islands Development Authority (LLIDA) was approved for \$4,460,000 in state direct investment to construct water treatment infrastructure, water transmission lines, rehabilitation of a well and purchase of associated property. This project will provide water supply system redundancy and reliability for the Lake Lanier Islands area.

### ***About the Georgia Environmental Finance Authority ([www.gefa.org](http://www.gefa.org))***

The Georgia Environmental Finance Authority (GEFA), headquartered in Atlanta, Ga., is the lead agency for state energy programs; directs the Georgia Land Conservation Program and maintains state-owned fuel storage tanks; and offers financing for reservoir and water supply, water quality, storm water and solid waste infrastructure. Since 1985, GEFA has approved more than \$3 billion in financial commitments to local governments, businesses and nonprofit organizations. For more information, visit [www.gefa.org](http://www.gefa.org), [Facebook](#) or [Flickr](#).

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